

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN CHASE HIBBARD**, on March 4, 1999 at 8:00 A.M., in Room 437 Capitol.

ROLL CALL

Members Present:

Rep. Chase Hibbard, Chairman (R)
Rep. Kim Gillan, Vice Chairman (D)
Rep. Bob Story, Vice Chairman (R)
Rep. Gary Beck (D)
Rep. Rick Dale (R)
Rep. Bob Davies (R)
Rep. Ron Erickson (D)
Rep. Daniel Fuchs (R)
Rep. Mary Anne Guggenheim (D)
Rep. Marian Hanson (R)
Rep. Hal Harper (D)
Rep. Dan Harrington (D)
Rep. John L. Holden (R)
Rep. Verdell Jackson (R)
Rep. Scott J. Orr (R)
Rep. Bob Raney (D)
Rep. Bill Rehbein (R)
Rep. Sam Rose (R)
Rep. Trudi Schmidt (D)
Rep. Roger Somerville (R)

Members Excused: None.

Members Absent: None.

Staff Present: Donna Grace, Committee Secretary
Jeff Martin, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:

SB 172 - 2/22/1999

SB 205 - 2/22/1999

SB 192 - 2/22/1999

SB 167 - 2/22/1999

Executive Action:

HB 510 - Do Pass

HEARING ON SB 172

Opening Statement by Sponsor:

Sen. Mignon Waterman, Senate District 26

{Tape : 1; Side : A; Approx. Time Counter : 8}

Proponents' Testimony:

Peter Blouke, Department of Commerce

{Tape : 1; Side : A; Approx. Time Counter : 4.8}

Evan Barrett, Montana Economic Development Association

{Tape : 1; Side : A; Approx. Time Counter : 6.4}

Geoff Feiss, Montana Rural Telecom Association

{Tape : 1; Side : A; Approx. Time Counter : 8.5}

Barbara Ranf, U. S. West

{Tape : 1; Side : A; Approx. Time Counter : 11.5}

Craig Sweet, Montana Public Information Research Group

{Tape : 1; Side : A; Approx. Time Counter : 14.1}

Opponents' Testimony:

None.

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 17.9}

Closing by Sponsor:

Sen. Waterman closed.

{Tape : 1; Side : B; Approx. Time Counter : 112}

HEARING ON SB 205

Opening Statement by Sponsor:

Sen. Walt McNutt, Senate District 50

{Tape : 1; Side : B; Approx. Time Counter : 17.3}

Proponents' Testimony:

Bob Gilbert, Montana Aviation Associations

{Tape : 1; Side : B; Approx. Time Counter : 20.5}

Jim Currie, Montana Department of Transportation

{Tape : 1; Side : B; Approx. Time Counter : 25}

Ron Mercer, Montana Aviation Board

{Tape : 1; Side : B; Approx. Time Counter : 26.2}

Rick Griffith, Manager, Butte Airport

{Tape : 1; Side : B; Approx. Time Counter : 27.5}

Bob Lipscomb, Chairman, Aviation Task Force; Montana Pilots
Association **EXHIBIT**(tah49a01)

{Tape : 1; Side : B; Approx. Time Counter : 28.7}

Gloria Hermanson

{Tape : 2; Side : A; Approx. Time Counter : 0.1}

Jack Gladsby, President, Montana Pilots Association

{Tape : 2; Side : A; Approx. Time Counter : 1.1}

Bailey J. Egan, Cattle Rancher, Colstrip

{Tape : 2; Side : A; Approx. Time Counter : 1.7}

Bill Burkland, Montana Pilots Association, Helena

{Tape : 2; Side : A; Approx. Time Counter : 2.6}

Doug Monger, Montana Pilot

{Tape : 2; Side : A; Approx. Time Counter : 3.4}

Loren Smith, Montana Pilots Association, Great Falls

{Tape : 2; Side : A; Approx. Time Counter : 3.7}

Bill Truax, Retired Airline Pilot, Experimental Aircraft
Association

{Tape : 2; Side : A; Approx. Time Counter : 4.9}

Lonnie Leslie, Owner, Flying Service, Miles City

{Tape : 2; Side : A; Approx. Time Counter : 7}

John Rabenberg, Chairman, Aviation Task Force **EXHIBIT**(tah49a02)

{Tape : 2; Side : A; Approx. Time Counter : 8.7}

Gayle Abercrombie

{Tape : 2; Side : A; Approx. Time Counter : 11.3}

Mark Becker, ExecAir (Fed Ex)

{Tape : 2; Side : A; Approx. Time Counter : 14.9}

Opponents' Testimony:

None.

Informational Testimony:

Dexter Busby, Montana Refining Company

{Tape : 2; Side : A; Approx. Time Counter : 16}

Questions from Committee Members and Responses:

{Tape : 2; Side : A; Approx. Time Counter : 17.3}

Closing by Sponsor:

Sen. McNutt closed the hearing.

{Tape : 2; Side : A; Approx. Time Counter : 23.4}

HEARING ON SB 192

Opening Statement by Sponsor:

Sen. John Bohlinger, Senate District 7, Billings

{Tape : 2; Side : A; Approx. Time Counter : 25.3}

Proponents' Testimony:

Bruce Hofmann, Western Technology Partners

{Tape : 2; Side : B; Approx. Time Counter : 0.9}

Monica Lindeen, Montana Commiunications Network Stockholder
{Tape : 2; Side : B; Approx. Time Counter : 4.3}

Opponents' Testimony:

None.

Informational Testimony:

Mary Bryson, Director, Department of Revenue
{Tape : 2; Side : B; Approx. Time Counter : 7.2}

Questions from Committee Members and Responses:

{Tape : 2; Side : B; Approx. Time Counter : 12.2}

Closing by Sponsor:

Sen. Bohlinger closed.
{Tape : 2; Side : B; Approx. Time Counter : 27.4}

HEARING ON SB 167

Opening Statement by Sponsor:

Sen. Jon Tester, Senate District 45
{Tape : 3; Side : A; Approx. Time Counter : 0.9}

Proponents' Testimony:

Maureen Rude, Executive Director, Board of Housing
EXHIBIT(tah49a03)
{Tape : 3; Side : A; Approx. Time Counter : 2.7}

Chet Thrust, Executive Director, Inter Resource Development
Council, Bozeman
{Tape : 3; Side : A; Approx. Time Counter : 8.4}

Joyce Lindberg, Resident, Garlington Manor, Bozeman
{Tape : 3; Side : A; Approx. Time Counter : 9.5}

Mary Clutter, Resident, Garlington Manor, Bozeman
{Tape : 3; Side : A; Approx. Time Counter : 10.6}

Thelma Anderson, Resident, Garlington Manor, Bozeman
{Tape : 3; Side : A; Approx. Time Counter : 11.5}

Verner Bertelson, Montana Senior Citizens Association
{Tape : 3; Side : A; Approx. Time Counter : 12.3}

Betty Waddell, Montana Association of Churches
{Tape : 3; Side : A; Approx. Time Counter : 13.2}

Ed Mayer, Missoula Housing Authority
{Tape : 3; Side : A; Approx. Time Counter : 16.6}

Gene Leuwer, Rocky Mountain Development Council
{Tape : 3; Side : A; Approx. Time Counter : 21.4}

Machel Van Zant, Northwest Montana Human Resources
{Tape : 3; Side : A; Approx. Time Counter : 22.8}

Chris Imhoff, Rocky Mountain Development, Helena
{Tape : 3; Side : A; Approx. Time Counter : 25}

Opponents' Testimony:

None.

Questions from Committee Members and Responses:

{Tape : 3; Side : A; Approx. Time Counter : 27.7}

Closing by Sponsor:

The sponsor closed.

{Tape : 3; Side : B; Approx. Time Counter : 7}

EXECUTIVE ACTION ON HB 510

Motion:

Rep. Holden MOVED DO PASS.

{Tape : 3; Side : B; Approx. Time Counter : 7.9}

Motion:

Rep. Holden MOVED an amendment to limit expenditures to \$600 for computer equipment.

{Tape : 3; Side : B; Approx. Time Counter : 8.6}

Discussion:

{Tape : 3; Side : B; Approx. Time Counter : 9.8}

Vote:

The MOTION FAILED on the amendment, 11 - 9. Story, Orr, Harrington, Dale, Somerville, Rehbein, Beck, Davies, Fuchs, Hanson and Hibbard voting no; Schmidt, Holden, Rose, Guggenheim, Jackson, Erickson, Harper, Raney and Gillan voting yes.
{Tape : 3; Side : B; Approx. Time Counter : 29}

Motion:

Rep. Harper MOVED an amendment. EXHIBIT(tah49a04)
{Tape : 4; Side : A; Approx. Time Counter : 0.6}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 1.6}

Vote:

The MOTION FAILED, 11 - 9. Story, Orr, Holden, Jackson, Dale, Somerville, Rehbein, Davies, Fuchs, Hanson and Hibbard voting no; Schmidt, Rose, Guggenheim, Harrington, Erickson, Beck, Harper, Raney and Gillan voting yes.
{Tape : 4; Side : A; Approx. Time Counter : 7.5}

Discussion:

{Tape : 4; Side : A; Approx. Time Counter : 8.5}

Vote:

The DO PASS MOTION PASSED, 11 - 9. Story, Orr, Holden, Jackson, Dale, Somerville, Rehbein, Davies, Fuchs, Hanson and Hibbard voting yes; Schmidt, Rose, Guggenheim, Harrington, Erickson, Beck, Harper, Raney and Gillan voting no.
{Tape : 4; Side : A; Approx. Time Counter : 20.5}

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Chairman Hibbard appointed a committee to consider taxation of intangibles.

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Adjourn. {Tape : 4; Side : A; Approx. Time Counter : 21.8}

ADJOURNMENT

Adjournment: 11:45 A.M.

REP. CHASE HIBBARD, Chairman

DONNA GRACE, Secretary

CH/DG

EXHIBIT (tah49aad)